Office of the Commissioner of Lobbying of Canada

Commissariat au lobbying du Canada

ANNUAL REPORT

2017-18

For a print copy of this publication, please contact:

Office of the Commissioner of Lobbying of Canada
255 Albert Street, 10th floor
Ottawa, Ontario K1P 6A9

Tel: 613-957-2760
Fax: 613-957-3078
Email: questionslobbying@ocl-cal.gc.ca

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Commissioner of Lobbying Commissaire au lobbying

Ottawa, Canada K1P 6A9

The Honourable George J. Furey, Q.C.
Speaker of the Senate
The Senate
Ottawa, Ontario
K1A 0A4

Dear Mr. Speaker:

Pursuant to section 11 of the Lobbying Act, I have the honour to submit to you the annual report of the Commissioner of Lobbying for tabling in the Senate.

This report covers the fiscal year ending March 31, 2018.

Yours sincerely,
Nancy Bélanger

Commissioner of Lobbying Commissaire au lobbying

Ottawa, Canada K1P 6A9

The Honourable Geoff Regan, P.C., M.P.
Speaker of the House of Commons
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Speaker:

Pursuant to section 11 of the Lobbying Act, I have the honour to submit to you the annual report of the Commissioner of Lobbying for tabling in the House of Commons.

This report covers the fiscal year ending March 31, 2018.

Yours sincerely,
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Looking ahead

MESSAGE FROM THE COMMISSIONER

I am pleased to table my first Annual Report as Commissioner of Lobbying. I started my seven-year term as Commissioner on December 30, 2017 and I am thankful to my predecessor, Karen E. Shepherd, for building a respected Office staffed by a dedicated team of professionals. Most of the achievements in this report occurred under her watch and I am excited to build upon them going forward.

The Registry of Lobbyist is the primary tool for enabling transparency in lobbying. In 2017-18, the timeliness of reporting communications with designated public office holders maintained the high level achieved the previous year. More than 23,000 monthly communication reports were filed, of which 94% were on time. This is positive, as I believe that timely information is crucial to better transparency.

On the outreach front, since my arrival, I am particularly proud of the signing of a Memorandum of Understanding with the Office of the Conflict of Interest and Ethics Commissioner on matters related to education and outreach.

With respect to compliance and enforcement, the Office closed 48 files last year. As of March 31, 2018, 45 files remain open in our caseload as we continue to streamline our investigation processes.

I am also pleased to report that we have developed a three-year strategic plan to set priorities for the Office. The three-year plan identifies four key result areas that will guide the priorities going forward. Those are:

- a modern Lobbyists Registration System
- enhanced outreach and communications to Canadians
- effective compliance and enforcement activities
- an exceptional workplace

In July 2018, the Office will celebrate its tenth anniversary. This milestone will be an opportunity to highlight our achievements and renew our commitment to working with stakeholders and our provincial, municipal, and international counterparts.

The lease for the Office's current location expires in May 2019 and we are preparing to move to a new location. This will be an opportunity for us to better integrate knowledge across the organization and to modernize our IT systems. This project will require resources identified in Budget 2018.

We are also preparing for the pending legislative review of the Lobbying Act. We will be ready to meet with Parliament when this exercise begins.

I intend to focus on initiatives that offer value-for-money to Canadians and that will improve the effectiveness and efficiency of our operations. However, the fiscal constraints associated with our small organization cannot be overlooked. Our base budget has remained at $4.5 million since the inception of the Office and allows very little flexibility to reallocate resources and plan for the long term. The Lobbyists Registration System is now 10 years old and important investments are required to ensure it remains current and up to date with rapidly evolving IT standards. I will explore opportunities and, where necessary, make funding requests to ensure that the registration system measures up to Canadians' needs.

The year ahead will be an exciting one for our team, and it is with great enthusiasm that we take on these priorities.

I thank the employees for their engagement and professionalism.

Nancy Bélanger
Commissioner of Lobbying

THE REGISTRY OF LOBBYISTS

The Lobbying Act (the Act) requires the Commissioner of Lobbying to establish and maintain a Registry of Lobbyists. It is the primary source of information on who is lobbying federal public office holders and about which topics. The Registry is accessible online and plays a key role in fostering transparency. There is no charge for lobbyists to register and it is free to consult. Registrations contain a wide range of information about lobbying activities, including:

- who is lobbying;
- who benefits from the lobbying;
- the names of the federal institutions lobbied;
- the subject matters of lobbying activities, including the legislative proposals, bills, regulations, policies and programs discussed, and grants, contributions and contracts sought; and
- the communication techniques used, such as meetings, telephone calls, written correspondence, and grass-roots lobbying.

Consultant lobbyists must file a separate registration for each client. With respect to in-house lobbying, the most senior paid officer of a corporation or organization that meets the significant part of duties threshold must file an in-house registration listing the employees engaged in lobbying activities. Corporations must list all senior officers who lobby and all employees whose lobbying constitutes a significant part of their duties, while organizations must include every employee involved in lobbying activities.

Individuals who communicate with federal public office holders can consult the "Are you required to register in the federal Registry of Lobbyists?" tool to determine whether registration is required. A "Do I need to register?" video helps potential lobbyists assess whether registration may be required.

The Registry can be searched online. A complete dataset of lobbying information can be downloaded from either the Office's website or open.canada.ca. Information in the Registry was accessed almost 860,000 times in 2017-18 through searches, statistical reports, and open data downloads.

Who is being lobbied and about what?

As shown in Table 1, the House of Commons was the most lobbied government institution in 2017-18.

Table 2 shows that industry, international trade, and the environment were the most lobbied subject matters in 2017-18.

TABLE 1
Top 5 government institutions listed in lobbyist registrations in 2017-18

GOVERNMENT INSTITUTION IN LOBBYIST REGISTRATIONS	MENTIONS
House of Commons	**35,155**
Innovation, Science and Economic Development Canada	**29,019**
Prime Minister's Office (PMO)	**28,614**
Finance Canada (FIN)	**23,784**
Senate of Canada	**22,871**

TABLE 2
Top 5 subject matters listed in lobbyist registrations in 2017-18

SUBJECT MATTER IN LOBBYIST REGISTRATIONS	MENTIONS
Industry	**19,179**
International Trade	**16,196**
Environment	**14,478**
Taxation and Finance	**14,091**
Economic Development	**13,795**

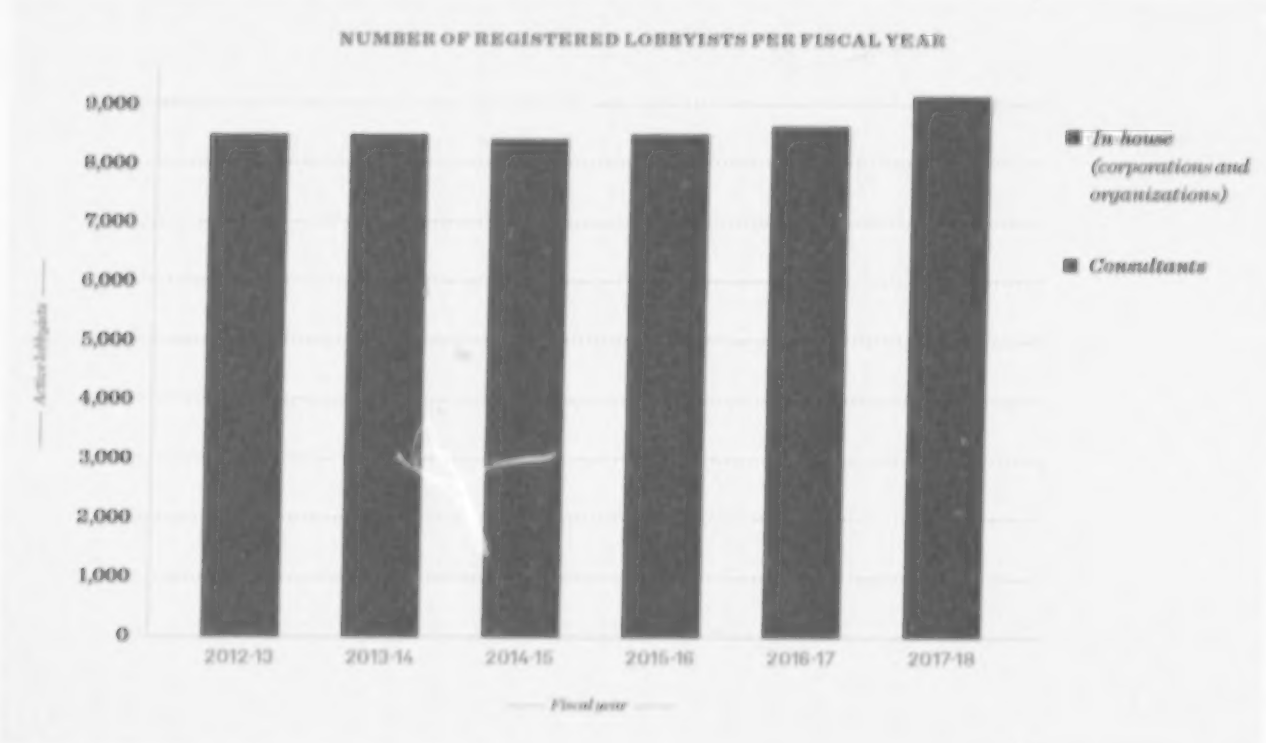
Registered lobbyists

Snapshots of registrations on any given day do not capture the full range of registration activity. Over the course of an entire year, new lobbyists are added to the Registry and individuals who cease to lobby are removed.

In 2017-18, 9,084 lobbyists were registered over the course of the year: 1,326 consultant lobbyists; 2,948 in-house lobbyists listed by corporations; and 4,810 in-house lobbyists for organizations.

Figure 1 shows the total number of registered lobbyists over the last six years.

FIGURE 1
Number of registered lobbyists per fiscal year from 2012-13 to 2017-18



Reporting communications with designated public office holders

Designated public office holders are high-level government decision makers. They include:

- the Prime Minister, Ministers, Ministers of State, and their staff
- Members of Parliament and Senators
- Deputy Ministers, Associate and Assistant Deputy Ministers, and those of equivalent rank

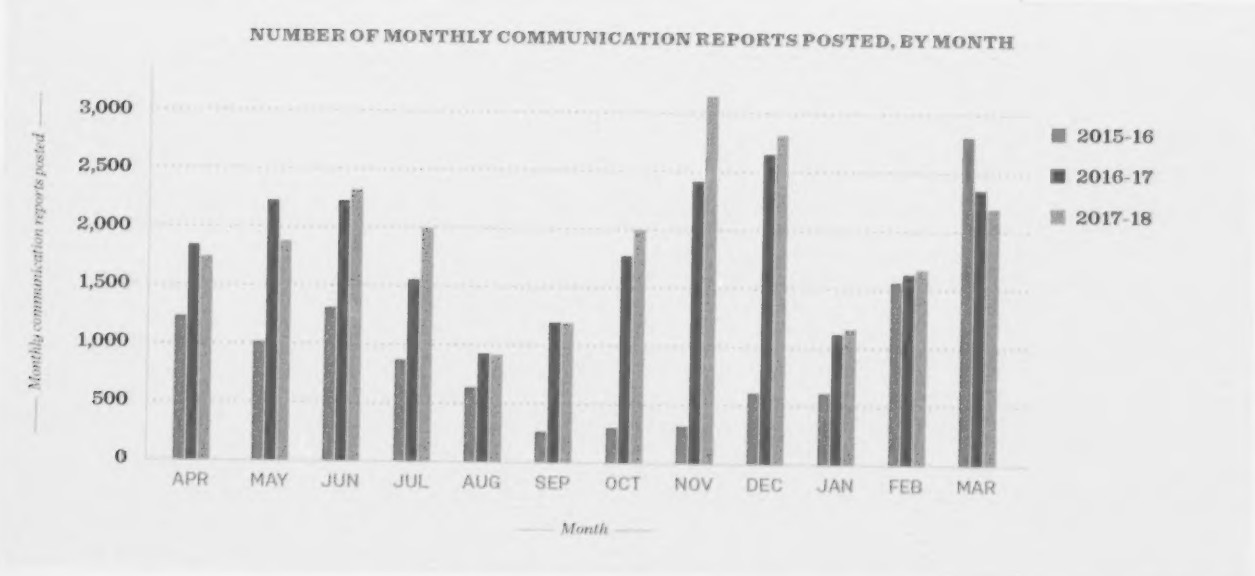
The Registry also contains reports of communications, which disclose information about oral and arranged communications between lobbyists and designated public office holders. Monthly communication reports contain the following:

- the date of the communication;
- the designated public office holder(s) present;
- the subject matter(s) discussed; and
- the name of the registrant.

Every month, registrants are required to report all "oral and arranged" communications they initiate with designated public office holders on registrable topics. In the case of communications regarding the awarding of a grant, a contribution, or any other financial benefit, it does not matter who initiated the communication for it to be reportable. Monthly communication reports must be filed by the 15th of the month following the communication.

In 2017-18, 23,218 monthly communications reports were posted. Figure 2 shows the monthly breakdown of the number of communication reports posted.

FIGURE 2
Number of monthly communication reports posted, by month



As shown in Table 3, members of Parliament continued to be the designated public office holders listed the most in monthly communication reports in the past year.

Table 4 shows that international trade, the environment, and health were the top three subject matters discussed with designated public office holders named in monthly communication reports in 2017-18.

TABLE 3

Top 5 government institutions listed in monthly communication reports in 2017-18

GOVERNMENT INSTITUTION IN MONTHLY COMMUNICATION REPORTS	MENTIONS
House of Commons	**7,909**
Innovation, Science and Economic Development Canada	**2,362**
Global Affairs Canada	**1,677**
Finance Canada (FIN)	**1,312**
Prime Minister's Office (PMO)	**1,254**

TABLE 4

Top 5 subject matters listed in monthly communication reports in 2017-18

SUBJECT MATTER IN MONTHLY COMMUNICATION REPORTS	MENTIONS
International Trade	**3,831**
Environment	**3,411**
Health	**3,203**
Industry	**3,042**
Taxation and Finance	**2,546**

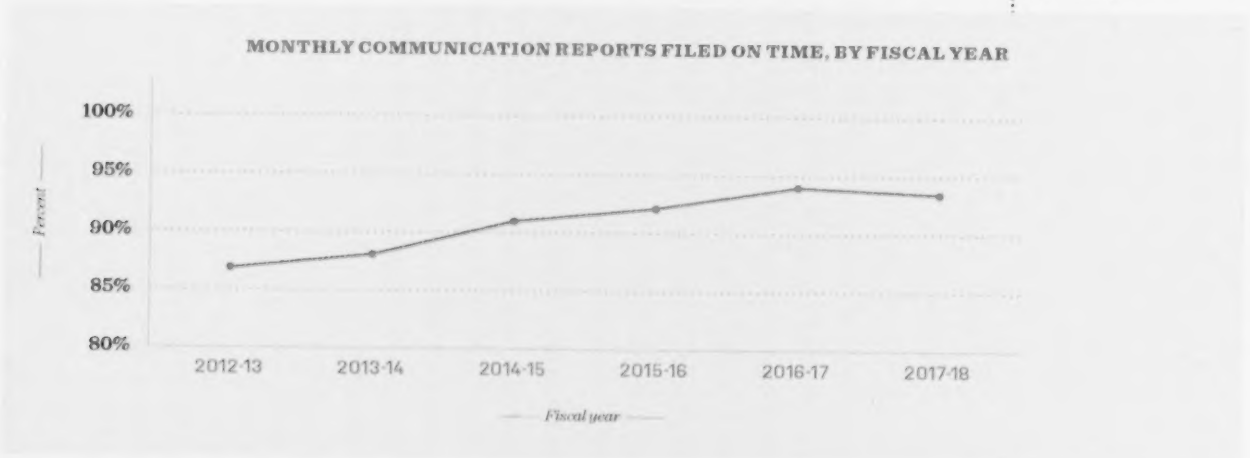
Timeliness of monthly communication reports

Lobbyists must report oral and arranged communications with designated public office holders by the 15th of the month following the communication.

Timeliness remained high in 2017-18 as 21,708 (94%) of the total 23,218 monthly communication reports were filed on time. This is the same proportion of timely monthly communication reports as the previous year.

Figure 3 shows a historical plot of the proportion of timely monthly communication reports.

FIGURE 3
Monthly communication reports filed on time, by fiscal year



Accuracy of monthly communication reports

The Office verifies a 5% sample of communication reports every month. Designated public office holders identified in those reports are asked to validate the information. In addition to measuring the accuracy of communications reports, this process is effective in reminding designated public office holders that they are the object of reportable lobbying activities.

In October 2017, the Office added a new automated compliance verification system to the Lobbyists' Registration System. The new system increases the speed and efficiency of monthly communication reports verifications. This automated process has a mobile-friendly user interface which makes it easier and less time-consuming for federal officials being lobbied to contribute to transparency by ensuring lobbying activity is reported accurately.

In 2017-18, the Office verified 1,112 monthly communication reports with 215 designated public office holders listed in the reports. Those verifications confirmed that 1,037 (93%) of the sampled reports were accurate. Of the 75 reports found to be inaccurate, 5 had errors such as missing names or subject matters. The remaining 70 inaccurate reports had only minor clerical errors or listed the names of individuals who were not designated public office holders.

COMMUNICATING WITH STAKEHOLDERS

The Office's outreach and education activities foster public awareness of the requirements of the Lobbying Act and the Lobbyists' Code of Conduct.

The Office offers educational sessions to lobbyists, public office holders across government, and other interested stakeholders.

In 2017-18, staff met with more than 450 individuals, including lobbyists, public office holders, parliamentarians, and academics.

The Office's Registration Advisors uphold high service standards when providing technical advice to registered lobbyists and others. Advisors answer telephone calls within 30 seconds at least 80% of the time. Emails are acknowledged the same day and simple enquiries are answered within two business days. Complex email enquiries are answered within 14 calendar days.

Registration and client service

Table 5 provides a breakdown of who corresponded with the Office by telephone or through email while Table 6 breaks down the subject matters of those telephone and email enquiries.

TABLE 5
Number of enquiries by type of requester

REQUESTER TYPE	NUMBER OF ENQUIRIES
Registered lobbyist	**2,898**
Representative for a registered lobbyist	**2,138**
Potential lobbyist or client of a lobbyist	**353**
Public office holder or designated public office holder	**291**
Public	**390**
Other (other governments, media, researchers)	**119**
Total	**6,189**

SUBJECT MATTER OF ENQUIRY	NUMBER OF ENQUIRIES
Lobbying Act and regulations	**1,621**
Lobbyists' Code of Conduct	**165**
Internal services	**259**
Investigations	**48**
General support regarding registration requirements	**3,890**
Content of registrations	**1,715**
Total	**7,698**

TABLE 6
Number of enquiries by subject matter

Program evaluation

An evaluation of the Outreach and Education program was completed in 2017-18. The recommendations were:

- Prepare a strategic plan for the Office which includes the Outreach and Education program.
  - A strategic planning exercise was undertaken in February and March 2018 and the new strategic plan is being implemented starting in 2018-19.
- Revise the Office's logic model and performance measures.
  - With a strategic plan in place, revising the Office's logic model and Departmental Results Framework is a corporate priority for 2018-19.
- Collect and analyze more performance data.
  - Work is underway to collect and analyze the right amount of relevant data. This complements the revised performance measures for outreach and education. It is anticipated that new performance data will be ready for collection starting in 2019-20.
- Redesign the Office website in order to cater to the needs of key stakeholder groups.
  - Work is already underway to update and redesign the Office website. It is anticipated that a redesigned website will be launched by the end of 2018-19.
- Simplify outreach and education materials.
  - Work is underway in conjunction with the redesign and simplification of the website. New templates have been developed in 2017-18 and all presentation materials are expected to be simplified and updated in 2018-19.

Former designated public office holders

Under the Lobbying Act, designated public office holders are subject to a five-year prohibition on lobbying after they cease performing their duties. Specifically, former designated public office holders are prohibited for five years from lobbying the federal government as a consultant lobbyist or on behalf of an organization. They can, however, lobby on behalf of a corporation, if lobbying constitutes less than a significant part of their work (i.e. 20%).

Former or outgoing designated public office holders often seek confidential advice and guidance from the Office to understand what activities are permitted.

The Office regularly sends advisory letters to former designated public office holders listed in registrations filed by corporations. The purpose of these letters is to ensure that former designated public office holders who are lobbying for corporations respect the restriction on lobbying set out in the Act. Recipients are asked to confirm that they understand the limits placed on their lobbying activities and that they are complying with the Act. This is an ongoing activity to ensure that former designated public office holders who engage in lobbying for corporations within the first five years after leaving office remain fully aware of the restrictions on their lobbying activities. A total of 89 advisory letters were sent in 2017-18.

Connecting with counterparts

Canada has a strong community of regulators whose mandate is to ensure lobbying is conducted ethically and in a transparent manner. Interactions between lobbying regulators from Canada and other countries provide opportunities to discuss issues and share practices related to the administration of lobbying regimes.

The Office participates in the semi-annual meetings of the Canadian Lobbyists Registrars and Commissioners Network (LRCN). A winter meeting is hosted in the Office in Ottawa and a fall conference rotates among the other members. The Office of the Registrar of Lobbyists Saskatchewan hosted the fall 2017 LRCN conference in Regina.

The Office is also active in the Council on Governmental Ethics Laws (COGEL), a professional organization for governmental agencies and other organizations working in the areas of ethics, elections, freedom of information, lobbying and campaign financing. In December 2017, the Commissioner and a couple of staff members attended the annual COGEL conference held in Toronto.

In 2017, New Brunswick's registry of lobbyists became operational. This leaves Prince Edward Island and the three territories as the only jurisdictions without lobbying regulation.

At the municipal level, Quebec municipalities and St. John's in Newfoundland and Labrador are covered by their respective provincial lobbying legislations. In Ontario, Toronto and Ottawa have long-standing lobbyist registries. Bill 68, Modernizing Ontario's Municipal Legislation Act, 2017 came into force on May 30, 2017 and it introduced new integrity requirements that are expected to lead to the creation of new municipal lobbyist registries. The City of Winnipeg introduced a voluntary lobbyist registry on April 26, 2017.

COMPLIANCE AND ENFORCEMENT

Monitoring and enforcement is essential to ensure compliance with the Lobbying Act and the Lobbyists' Code of Conduct.

The Office's compliance and enforcement program focuses on three main types of activities:

- investigations into alleged breaches of the Act or the Code;
- compliance verifications; and
- reviews of applications for exemption from the five-year post-employment prohibition on lobbying for former designated public office holders.

Reviews and investigations into alleged breaches of the Act or the Code

When an alleged breach of the Act or the Code is brought to the Commissioner's attention, the Investigations Directorate undertakes a preliminary assessment to determine whether the subject matter falls within the Office's mandate. When the potential breach falls within our jurisdiction, the directorate's senior investigators pursue an administrative review to determine relevant facts of the case, and analyse whether a breach has occurred.

At the conclusion of an administrative review, the Commissioner is provided with an internal report that presents the facts and analysis of the case. If there is a basis to conclude that the allegation is founded, the Commissioner decides on a suitable means of ensuring compliance. In some cases, education and monitoring is the best course of action, in others an investigation is initiated.

Administrative review files completed

Table 7 provides information about the administrative review files closed in 2017-18. Administrative reviews are ceased without finding if, for example, the matter is more appropriately dealt with under another Act of Parliament, the matter is not sufficiently important, or the length of time elapsed.

TABLE 7
Outcome of administrative review files closed in 2017-18

ADMINISTRATIVE FILES CLOSED, BY OUTCOME	NUMBER CLOSED
Unfounded – no registrable communication	**4**
Unfounded – no meetings arranged	**1**
Unfounded – no improper influence	**3**
Unfounded – activity not performed for payment	**1**
Unfounded – not a significant part of duties	**1**
Unfounded – accurate information in registration	**1**
Unfounded – registered as required	**1**
Subtotal unfounded	**12**
Founded – education and monitoring	**4**
Founded – investigation opened	**1**
Subtotal founded	**5**
Ceased – Various reasons under subsection 10.4(1.1)	**10**
Total number of administrative review files closed in 2017-18	**27**

Investigations initiated

The Lobbying Act gives the Commissioner the authority to conduct an investigation if he or she has "reason to believe" that an investigation is necessary to ensure compliance with the Act or the Lobbyists' Code of Conduct. In fiscal year 2017-18 one investigation was opened based on the recommendations provided in an administrative review report.

Investigations opened following an administrative review

In March 2018, the Office reviewed and simplified its investigation processes. As a result, the Office has discontinued the practice of conducting administrative reviews. All allegations are subject to a preliminary assessment in order to determine if an investigation is necessary to ensure compliance with the Act or the Code. Where an investigation is initiated, a report to Parliament will be tabled unless the Commissioner ceases the investigation in accordance with the reasons set out in the Act.

After a review of the caseload, the Commissioner converted 35 open administrative review files into investigations after taking into consideration the complexity of the subject matter, and the steps required to determine whether or not the allegations are founded.

Administrative reviews converted to investigations **35**

Referrals to a peace officer

If, during the course of an investigation the Commissioner has reasonable grounds to believe that a person has committed an offence under the Lobbying Act (e.g. failure to report on time, providing inaccurate information, lobbying while not registered, lobbying while prohibited) or any other Act, she is required to suspend the investigation and refer the matter to the police who conduct their own investigation and decide whether to recommend charges.

In 2017-18, the Office referred two files to the RCMP for investigation.

Referrals to peace officer in 2017-18 **2**

Prohibition following convictions under the Lobbying Act

The Lobbying Act gives the Commissioner the authority to prohibit anyone convicted of an offence under the Act from lobbying federal public office holders for a maximum period of two years.

James Carroll

On April 16, 2013, the Office of the Commissioner of Lobbying received a letter from a client of Mr. James Carroll, and the Office initiated a review of potential unregistered consultant lobbying.

On November 8, 2013, the former Commissioner suspended her investigation and advised the Royal Canadian Mounted Police (RCMP) that she had reasonable grounds to believe that Mr. Carroll had committed an offence. Mr. Carroll was charged following the RCMP investigation. On April 8, 2016, he was convicted in the Ontario Court of Justice for failing to register his undertaking on behalf of La Vie Executive Health Centre and was fined $20,000. Mr. Carroll appealed the decision and, on April 11, 2017, the Ontario Superior Court of Justice rejected the appeal, maintaining his conviction and fine.

In September 2017, following the conviction of Mr. James Carroll for failing to register an undertaking to perform consultant lobbying on behalf of a client, then Commissioner Karen E. Shepherd prohibited him from engaging in registrable lobbying activity at the federal level for a period of nine months beginning July 26, 2017.

Post-conviction prohibitions applied by the Commissioner in 2017-18 **1**

Reports on Investigation

After conducting an investigation under subsection 10.4(1) of the Lobbying Act, the Commissioner must prepare a report of the findings and conclusions in a Report on Investigation and submit it to the Speaker of the Senate and the Speaker of the House of Commons for tabling in Parliament.

Trina Morissette

The Trina Morissette case came to former Commissioner Karen E. Shepherd's attention in December 2014 following a disclosure from the Canadian Red Cross (CRC) that they had hired an individual who had lobbied on their behalf while subject to the five-year post-employment prohibition under the Lobbying Act.

Former designated public office holders, such as ministerial staff, are prohibited from carrying out any lobbying activities for an organization, such as the Canadian Red Cross, for a period of five years after they leave their position. After conducting a review of the matter, the Commissioner determined that she had reasonable grounds to believe that Ms. Morissette had breached the five-year prohibition on lobbying as she had lobbied on five occasions while being employed by the Canadian Red Cross. The investigation was suspended and the matter was referred to the Royal Canadian Mounted Police (RCMP) in November 2015.

In December 2016, the RCMP informed the Commissioner that, following their own investigation, no charges would be laid in this matter as it was not in the public interest to do so. Commissioner Shepherd continued the investigation under the Lobbyists' Code of Conduct and a Report on Investigation was submitted to Parliament in November 2017.

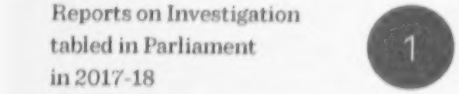
In her report, the Commissioner concluded that Ms. Morissette had breached the Principle of Professionalism of the Lobbyists' Code of Conduct (1997) by lobbying while prohibited.

Ms. Morissette also breached Rule 2 of the Code by providing her employer with inaccurate information when they had inquired about which activities she could legally undertake. By relying, in part, on her own interpretation of the Lobbying Act, Ms. Morissette did not use proper care to avoid misleading Canadian Red Cross officials.

Ms. Morissette was also found to be in breach of the Principle of Integrity and Honesty by continuing her lobbying activities knowing that she was subject to the five-year prohibition. She was motivated by her desire to assist the CRC and the Government of Canada during a time of crisis in West Africa.

In her report, the Commissioner emphasized that, although the Lobbying Act acknowledges the legitimacy of lobbying, the restrictions and obligations it imposes must be respected regardless of the nature of the activity, or the goal that is sought to be achieved.

Reports on Investigation tabled in Parliament in 2017-18



Case studies

His Highness the Aga Khan

On January 6, 2017, media reported that the Right Honourable Justin Trudeau, Prime Minister of Canada, his family, and a few friends had celebrated the New Year on a private island in the Bahamas as guests of Prince Shah Karim Al Hussaini, known as Aga Khan IV. Former Commissioner Shepherd decided to look into the matter to determine whether a breach of Rule 10 (Gifts) of the Lobbyists' Code of Conduct had occurred. Subsequently, the Office received a letter asking the Commissioner to look into the matter.

Based on information obtained during the review, the former Commissioner determined that, although the Aga Khan Foundation of Canada has an active in-house (organization) registration in the Registry of Lobbyists, there was no evidence that lobbyists employed by the Foundation took part in organizing the Bahamas trip. The Lobbying Act only applies to individuals who are paid to lobby. As an unpaid philanthropist, the Aga Khan is not subject to the Act. In accordance with subsection 10.3(1) of the Act, the Lobbyists' Code of Conduct applies only to individuals who are subject to the Act. Therefore, the file was closed and a letter to that effect was sent to the individual who had asked the Commissioner to look into the matter.

On December 22, 2017, the media reported on the Commissioner's findings in this matter. Following the arrival of Commissioner Bélanger, the Office received two letters asking her to reconsider her predecessor's decision. The Office undertook a preliminary assessment to determine whether any new information had been put forward that may lead her to reconsider the former Commissioner's decision.

On January 19, 2018, the advocacy group Democracy Watch filed a Notice of Application seeking a judicial review of former Commissioner Shepherd's decision. The preliminary assessment was therefore suspended as the issue is before the Federal Court.

Dr. Barry Sherman

In October 2016, then Commissioner Shepherd received information alleging that Dr. Bernard Sherman, founder of Apotex Inc. and a registered in-house (corporation) lobbyist, was in breach of the Lobbyists' Code of Conduct because of his participation in the organizing and hosting of fundraising events for the Liberal Party of Canada.

On January 18, 2017, based on information obtained by the Investigations Directorate during their review of the matter, the former Commissioner opened an investigation, as there was reason to believe it was necessary in order to ensure compliance with the Code.

On May 24, 2017, after an attempt by the former Commissioner to summon the attendance of witnesses from Apotex Inc., Dr. Sherman and two witnesses submitted a notice of application for judicial review to the Federal Court of Canada, citing several concerns regarding the investigation. External legal counsel was retained to prepare for and defend the Commissioner's authority to investigate the alleged breach, and to exercise the powers of investigation set out in the Lobbying Act.

Over the summer and fall, as proceedings related to the judicial review unfolded, the Commissioner took steps to obtain a special funding allotment from the Treasury Board to cover court costs associated with the application.

On December 15, 2017, Dr. Sherman was reported to have passed away.

In January 2018, the new Commissioner of Lobbying advised the parties that the investigation had been ceased. The judicial review application was subsequently dismissed by the Federal Court.

On February 23, 2018, a new notice of Application for Judicial Review was filed by Democracy Watch challenging the Commissioner's decision to cease the investigation. Federal Court proceedings pertaining to the notice of application are ongoing.

Compliance verifications

The following compliance verification activities were performed by the OCL in 2017-18:

- 1,112 monthly communication report verifications – to check the accuracy of the information submitted by lobbyists in monthly communication reports;
- 86 compliance assessments – to verify whether registrants who have been advised of a breach have become compliant with the Act during the subsequent 12 months;
- 94 compliance analyses – to review and compare information in the Registry with other sources to verify that it is complete and accurate; and
- 44 advisory letters sent following media monitoring – to monitor media reports, identify individuals, organizations, and corporations that may be lobbying, and verify their registration status.

Case study

Coalition for Small Business Tax Fairness

An article in the Lobby Monitor entitled "Business groups rally to battle feds' proposed tax changes" stated that a number of organizations joined forces to fight a package of proposed tax changes the federal government said will close loopholes that offer "unfair tax advantages" for the wealthy. The group was identified as the Coalition for Small Business Tax Fairness.

The objective of the compliance analysis was to assess whether organizations that lobbied regarding proposed changes to the Income Tax Act were registered and, if so, whether the issue was identified in the subject matter details of their registration.

A search of the Registry of Lobbyists revealed that 10 of the organizations were registered and listed changes to the Income Tax Act within the subject matter details of their registrations. Nine other organizations were registered but did not list any details regarding the Income Tax Act. Another 17 organizations had never registered with our Office.

Letters were sent to the 26 organizations that did not list the Income Tax Act in the registration or were not registered. The nine registered organizations that did not list the Income Tax Act updated their registrations and came into compliance with the Act. Of the remaining 17 organizations that were not registered at the time, 11 stated that their activities did not meet the in-house registration threshold of the Act, and six took steps to register their activity.

The six organizations that registered are being monitored to ensure continued compliance.

Compliance with the five-year prohibition – applications for exemption

Under the Lobbying Act, former designated public office holders are subject to a five-year prohibition on lobbying. The prohibition on lobbying seeks to ensure that certain public office holders do not use advantages, knowledge, and personal connections derived from their government positions to the advantage of interests on whose behalf they are paid to lobby.

These individuals cannot:

- work as consultant lobbyists;
- work for an organization and carry out lobbying activities on behalf of that organization; or
- work for a corporation if lobbying constitutes a significant part of their work on behalf of the corporation.

The Lobbying Act gives the Commissioner the authority to grant an exemption from the five-year prohibition based on a limited set of criteria (e.g. the designated public office was held for a short period, on an acting basis, as part of a program of student employment, or only involved administrative duties) and if granting the exemption would not be contrary to the purposes of the Act.

In 2017-18, the Office completed 17 exemption reviews. Ten exemptions were granted and seven denied. As required by the Act, exemptions and the reasons for granting them are published on the Office's website.

LOOKING AHEAD

Next year will be a busy one for the Office. The three-year strategic plan for 2018–21 identifies four key result areas that will guide our priorities going forward.

The first is a modern Lobbyists Registration System. In 2018–19, the Office will undertake an evaluation of its registration and client services functions and begin implementing recommendations from last year's technical review of the system. Work will focus on ensuring that data continues to be secure, that the system keeps up with technological advances, and that we enhance the user experience and compatibility with mobile devices. As the Registry is now 10 years old, the Commissioner will seek support from the Treasury Board to obtain stable funding for the necessary on-going investments to make it a modern, secure, easy to access, and sustainable tool.

The second key area is enhanced outreach and communications for Canadians. I am committed to increasing outreach and educational activities to foster understanding of the obligations stemming from the Act and the Code. To this end, the Office will implement the recommendations from the evaluation of the Outreach and Education program. We will update outreach materials and renew the website to improve its content and to make it easier for all stakeholders to access the information they need. Following the signing of the MOU with the Conflict of Interest and Ethics Commissioner, we will work together setting up joint webinars on issues of interests to both lobbyists and public office holders.

The third key area is effective compliance and enforcement activities. The Office proactively monitors and investigates allegations of breaches of the Act and the Code. In 2018–19, we will continue to review our investigative procedures and practices to identify further opportunities for innovation so that compliance activities are timely and relevant.

The fourth, but certainly not the least, key area is creating an exceptional workplace for the dedicated professionals that make the Office work. I wish to make the Office an employer of choice by establishing a positive and healthy work environment, which promotes and supports engagement, innovation, and transparency. In 2017-18, the Office has developed and begun implementing its Strategy on Mental Health. We will continue to explore initiatives and provide tools that will assist staff in developing positive mental health habits. We will also look at creating career development programs and opportunities for our employees, as career advancement is limited in a small organization such as ours.

In 2018–19, the Office will prepare for the upcoming statutory review of the Lobbying Act and participate when called for by Parliament. We will also continue to prepare for the move to a new space in June 2019.

We will take on these priorities with great enthusiasm and look forward to the next year.

Commissariat
au lobbying
du Canada

Office of the
Commissioner
of Lobbying
of Canada